



## Airline Group Makes Innovation Work at Scale

Growing industry challenges and advances in technology catalyzed transformation.

### Challenge

A global airline group faced growing pressure to evolve. COVID-19, fuel price volatility, and stricter sustainability mandates had exposed cracks in its legacy business model. Business travel was slow to recover. Passenger expectations, shaped by seamless digital experiences elsewhere, kept rising. Meanwhile, its brands struggled to stand out in an industry marked by frustration and sameness.

Each of its airlines had launched innovation efforts. But without a shared vision or mechanism to scale innovation across business units, the group lacked a clear path to improve customer experience or operational performance. The risk wasn't just inefficiency, it was losing ground in a highly competitive market.

### Discovery

We worked with a cross-functional group at the company, including operations and innovation leaders, to examine the future of the industry and the changes it needed to navigate disruption and stay competitive. Using a **future-back approach**, we identified three shifts that would require new organizational and innovation capabilities:

- **Technology needs to be adopted faster and at scale.** AI, automation, and analytics are no longer optional. Future competitiveness depends on the group's ability to apply them across operations and customer touchpoints, requiring shared learning, cross-airline coordination, and systems to scale what worked.
- **Passenger experience becomes a differentiator.** Airlines no longer compete on price and schedule alone. Digital tools, flexibility, and real-time support define the next generation of service, demanding more consistent innovation across the customer journey.
- **Sustainability and investment strategy have to be more deliberate.** Meeting fuel mandates and preparing for new propulsion systems will raise costs and complexity. The group's venture investment activity needed clearer links to business priorities and more direct pathways to operational use.

## Impact

The group moved from a siloed approach to a unified model that treats innovation as core to how its airlines compete. By establishing an innovation management office, it aligned group-wide priorities, clarified roles between corporate and airline teams, and supported a portfolio of initiatives that could scale across brands. It also redesigned its venture-investing process to better align with operational priorities and accelerate adoption of startup solutions.

With a scalable innovation model in place, the group applied AI-powered solutions to improve core operations, such as predictive maintenance, disruption support, and ground-handling performance. It also advanced efforts to develop new businesses, for instance, exploring AI-driven intelligent travel agents that personalize itineraries. The result: improved on-time performance, higher customer satisfaction, and measurable gains in productivity, innovation, and profitability.

## Contact Our Experts



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## About Innosight

Innosight helps enterprise leaders turn uncertainty into opportunity and thrive in a changing world. With unmatched expertise in navigating disruption, we partner closely with clients to address their most complex strategic challenges, building resilience in today's business while shaping the organization of tomorrow. Together with our colleagues across **Huron**, we align strategy, operating models, and people to drive transformation and deliver sustainable growth.

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